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MICHIGAN LABOR MARKET REVIEW

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JOB SERVICE

Michigan Employment Security Commission

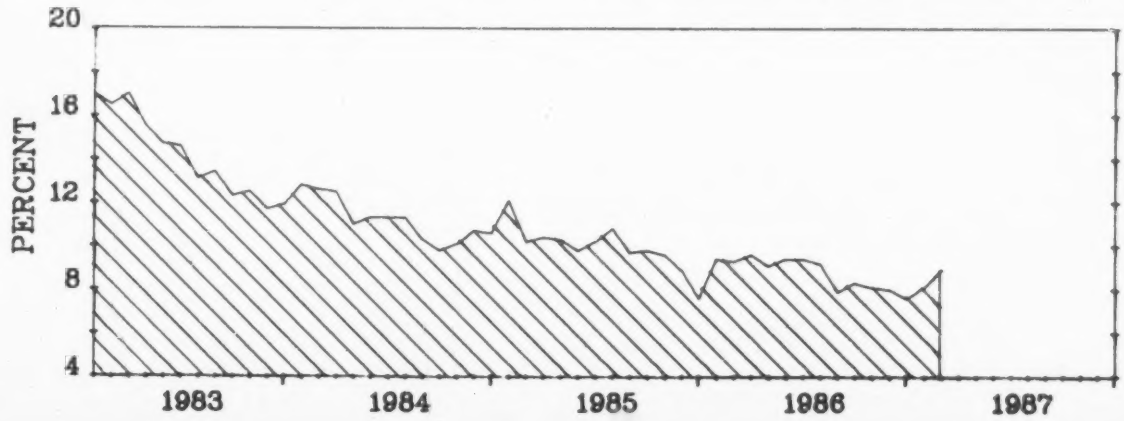
JOBLESSNESS INCREASES IN MICHIGAN

The statewide unemployment rate rose by 1.3 percentage points during the first two months of 1987, as the jobless rate rose from 7.6 percent in December to 8.9 percent in February. The rate increase represents 52,000 additional individuals out of work, as state residents seeking employment rose to 393,000. The rise in joblessness was primarily a result of seasonal job losses in retail trade and construction. Total employment in February registered a decline as the number of employed residents dropped by 98,000 to fall to 4,038,000. Additionally, the civilian labor force dropped to 4,431,000, a decline of 46,000. Compared with a year ago, employment in Michigan has jumped by 150,000, while the size of the labor force has expanded by 143,000. In February 1986, the total number of persons out of work amounted to 400,000, representing an unemployment rate of 9.3 percent.

STATE PAYROLLS DECLINE

During the first two months of 1987, wage and salary employment in Michigan fell as total industry jobs dropped to 3,643,000. Employment opportunities declined by approximately 56,000 as losses were centered in both the goods producing and service producing sectors of the economy. Total employment in the goods producing industries, fell by 22,000 primarily as a result of seasonal layoffs in construction and production adjustments in the automotive industry. Service producing employment fell by 35,000 to 2,542,000 in February, as retail establishments laid off holiday workers. Public sector positions increased by 4,000 as state schools geared back up for the winter term. Since February 1986, industry employment in the state has increased by 63,000 positions or 1.8 percent. Approximately 9,000 goods producing jobs have been lost throughout the year, while service producing employment increased by 72,000.

MICHIGAN UNEMPLOYMENT RATES (1983–1987)



Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	Feb 1987	Jan 1987	Dec 1986	Feb 1986
PLACE OF RESIDENCE				
Civilian Labor Force	4431	4417	4477	4288
Employment	4038	4059	4136	3888
Unemployment	393	358	341	400
Rate	8.9	8.1	7.6	9.3
PLACE OF WORK				
Wage and Salary Employment	3643	3628	3699	3580
Goods Producing Industries	1101	1101	1123	1110
Construction and Mining	114	117	127	106
Mining	10	10	10	10
Construction	104	108	117	96
Manufacturing	987	984	996	1004
Durable Goods	766	763	774	791
Lumber and Wood Products	13	13	14	13
Furniture and Fixtures	27	27	27	27
Stone, Clay, and Glass Products	16	16	17	16
Metals	170	169	171	176
Primary Metals	49	49	49	51
Fabricated Metals	121	120	122	126
Nonelectrical Machinery	127	126	126	137
Electrical Machinery	39	39	39	37
Transportation Equipment	351	349	358	363
Motor Vehicles and Equip	329	327	336	343
Other Transportation Equip	23	22	22	20
Other Durable Goods	22	22	23	22
Nondurable Goods	221	221	222	214
Food and Kindred Products	44	45	47	43
Textiles and Apparel	25	26	25	23
Paper and Allied Products	22	21	21	21
Printing and Publishing	39	38	38	38
Chemicals and Petroleum	43	43	43	43
Other Nondurable Goods	49	48	48	46
Rubber and Plastic Prod	46	46	46	43
Service Producing Industries	2542	2527	2577	2470
Trans., Comm. and Utilities	149	149	151	145
Transportation and Utilities	114	114	116	110
Communications	35	35	34	35
Wholesale Trade	178	179	179	173
Durable Goods	115	115	116	112
Nondurable Goods	63	63	63	61
Retail Trade	633	642	671	605
General Merchandise Stores	94	98	107	90
Food Stores	89	89	91	87
Automotive Dealers and Services	74	74	74	71
Eating and Drinking Places	215	215	223	202
Other Retail Trade	162	166	175	155
Finance, Insurance and Real Estate	174	175	174	165
Finance	89	90	89	86
Insurance and Real Estate	85	85	85	80
Services	797	791	795	771
Business Services	171	171	172	161
Health Services	267	266	265	261
Other Services	359	353	358	349
Government	611	592	607	611
Federal	60	60	61	59
State	153	148	150	154
Local	399	384	396	397
Labor Disputes	0	0	0	1

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics - 1986 Benchmark.

WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program - March 1986 Benchmark.

NOTES Data expressed in thousands. Current month data are preliminary

CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits increased for the fourth consecutive month in February. The regular benefits claims load averaged 153,324 per week during the month, approximately 15,964 more than the January total.

The twelve percent increase in the monthly average was primarily due to layoffs in the automotive industry. In February 1986, the number of claimants drawing benefits under the regular benefit program averaged 137,787, or approximately 11 percent lower than the present total.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
February 07, 1987	173,300	19,100	154,200	76,900	9,400	67,500
February 14, 1987	167,800	15,900	151,900	73,500	7,200	66,300
February 21, 1987	166,100	13,900	152,200	72,800	6,200	66,600
February 28, 1987	168,900	14,100	154,800	75,500	6,500	69,000

DETROIT AREA COST OF LIVING MOVES UPWARD

Consumer prices in the Detroit metropolitan area increased from 324.7 in December to 327.6 in February. The increase in Detroit area prices was primarily due to higher costs for housing and medical care. Prices in the area climbed by 1.5 percent since February 1986, when the consumer price index stood at 322.9.

At the national level, the cost of living advanced by four tenths of a percent to reach 334.1 during the month. The higher national prices were due to additional costs for medical care, apparel, and transportation. Between February 1986 and February 1987, national consumer prices increased by 2.1 percent. One year ago, the national index registered 327.5.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries held steady at 42.9 hours in February. Additional hours worked by individuals in fabricated metal products industries were offset by shorter hours worked by persons in the electrical equipment industry.

During the month, average hourly earnings increased by three cents to $12.92, while average weekly earnings increased by $1.29 to total $554.27. In February 1986, earnings averaged $12.79 an hour or $552.53 per week for a 43.2 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Hourly Earnings a/			Average Weekly Hours a/			Average Weekly Earnings a		
	Feb 1987	Jan 1987	Feb 1986	Feb 1987	Jan 1986	Feb 1986	Feb 1986	Jan 1987	Feb 1986
TOTAL MANUFACTURING	$12.92	$12.89	$12.79	42.9	42.9	43.2	$554.27	$552.98	$552.53
DURABLE GOODS	13.42	13.40	13.37	43.2	43.1	43.5	579.74	577.54	581.59
Primary Metal Products	12.47	12.48	12.02	42.9	42.5	43.4	534.96	530.40	521.67
Fabricated Metal Products	12.75	12.78	12.76	42.8	42.1	43.3	545.70	538.04	552.51
Nonelectrical Machinery	13.16	12.95	12.98	44.4	44.0	43.8	584.30	569.80	568.52
Electrical Machinery	11.03	11.07	10.71	41.7	42.8	42.5	459.95	473.80	455.17
Motor Vehicles & Equip.	15.21	15.22	15.18	43.9	43.8	44.4	667.72	666.64	673.99
NONDURABLE GOODS	11.05	11.01	10.47	41.8	42.0	41.9	461.89	462.42	438.69
Contract Construction	15.59	15.60	15.86	37.2	37.8	37.9	579.95	589.68	601.85
Department Stores	6.62	6.51	6.57	26.7	26.3	26.3	176.75	171.21	166.88

a/ *Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.*

Note: *Current month data are preliminary.*

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
FEBRUARY 1987 (Preliminary)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	117,967,000	109,464,000	8,503,000	7.2
Michigan	4,431,000	4,038,000	393,000	8.9
Major Labor Markets				
Ann Arbor MSA	155,800	148,600	7,200	4.6
Battle Creek MSA	61,400	56,400	5,000	8.2
Benton Harbor MSA	75,100	68,600	6,400	8.6
Detroit MSA	2,163,000	1,984,000	178,000	8.2
Flint MSA	200,200	178,500	21,700	10.8
Grand Rapids MSA	332,100	308,100	24,000	7.2
Jackson MSA	62,000	56,500	5,500	8.8
Kalamazoo MSA	112,200	106,000	6,100	5.5
Lansing MSA	235,200	219,200	16,000	6.8
Muskegon MSA	67,500	59,300	8,300	12.2
Saginaw-Bay-Midland MSA	182,900	163,300	19,500	10.7
Upper Peninsula LMA	127,800	109,700	18,100	14.1
Major Counties (15,000+)				
Allegan	50,375	46,925	3,450	6.9
Barry	20,300	18,600	1,700	8.4
Bay	53,600	46,600	7,000	13.0
Branch	17,375	15,750	1,625	9.3
Cass	22,525	20,850	1,675	7.4
Clinton	29,525	27,325	2,175	7.4
Delta	15,475	13,475	2,000	13.0
Eaton	50,750	47,625	3,125	6.2
Grand Traverse	32,125	29,000	3,150	9.8
Gratiot	17,975	15,300	2,675	14.9
Hillsdale	18,575	16,775	1,800	9.7
Huron	15,475	13,550	1,925	12.5
Ingham	154,900	144,225	10,675	6.9
Ionia	17,925	15,725	2,175	12.2
Isabella	27,025	25,150	1,875	7.0
Kent	244,375	227,075	17,300	7.1
Lapeer	32,100	28,875	3,225	10.0
Lenawee	41,725	37,625	4,100	9.8
Livingston	50,625	47,225	3,425	6.7
Macomb	373,400	341,575	31,850	8.5
Marquette	27,950	25,175	2,775	9.9
Midland	35,225	32,225	3,000	8.5
Monroe	62,600	57,100	5,500	8.8
Montcalm	21,375	18,950	2,450	11.4
Newaygo	16,575	14,450	2,125	12.8
Oakland	565,575	528,300	37,275	6.6
Ottawa	87,725	81,050	6,700	7.6
Saginaw	94,050	84,500	9,550	10.1
St. Clair	66,600	58,275	8,325	12.5
St. Joseph	26,225	23,700	2,525	9.6
Sanilac	18,900	16,575	2,325	12.3
Shiawassee	31,775	28,225	3,550	11.2
Tuscola	21,850	19,200	2,650	12.1
Van Buren	29,225	25,850	3,375	11.6
Wayne	1,011,750	923,100	88,650	8.8

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